An analysis of the Michigan WIC (Women, Infants & Children) program's costs – both state infrastructure and local level – and funding sources, such as the USDA federal grant, state funding formula allocations, and local funds, to identify ways to more effectively and efficiently utilize available fiscal resources in the future.

WIC Special Cost Study

May 2006

WIC Special Cost Study Contributors

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History of Michigan WIC 1974 – present

THE WIC PROGRAM FIRST BEGAN in Michigan in January 1974, in the Delta-Menominee District Health Department.

The clinic based in Escanaba, Michigan, was the first project to open in the Midwest Region of the United States, servicing only infants and issuing infant formula, juice and cereal directly from the clinic site.

The WIC Program has grown extensively at all levels since the opening of the first clinic. Michigan WIC ended 1974 with an average monthly participation of 5,000 participants. In 1975 we grew to 4 local agencies in Michigan delivering WIC services and we now provide services statewide to every county in Michigan through 49 local agencies.

Over the history of the Michigan WIC Program clinic sites have changed considerably, not only in volume, but in the types of work done at the clinics. Initial implementation of the retail purchase system involved local agencies contracting, monitoring and paying grocery stores directly. Many local agency staff remember receiving grocery bags full of redeemed coupons which needed to be reconciled and for which they wrote checks directly to the vendors. Moving all aspects of the vendor relations portion of the program to the State office relieved local agency staff of this responsibility and allowed them to spend more time in providing direct services to participants, particularly in the area of nutrition education. The transfer of responsibilities related to vendors to the State office has unified and clarified this aspect of the WIC Program. Later the sanctioning and removing of abusive vendors from the WIC Program was also a move in the right direction.

During the late seventies and early eighties the Michigan WIC Program implemented policies and procedures that made its service to Migrants one of the best in the country. At the State level, the development of the Identification Folder (ID/VOC Card) and the inauguration of annual meetings with agencies serving Migrants was paramount in the success of providing WIC services to Migrants in Michigan. Michigan's ID/VOC Folder has been imitated by other states

throughout the United States and in some cases duplicated almost identically. The success of this Program activity would not have been possible without the dedicated local agency staff.

Dedicated staff involvement can also be seen in the success of the Nutrition Education component of the WIC Program. Michigan developed and implemented policies and procedures consistent with the intent of the WIC Program., to educate as many WIC Program participants as possible. Nutrition education has always been an important aspect of the WIC Program in Michigan, even though at times it seemed to have to take second place due to the growth of the Program.

Over the past four years, Michigan WIC has worked with the Midwest Regional WIC states to pilot the availability of WIC Nutrition education on the Internet as an option for participants with Internet access. Federal WIC regulations require that one-sixth of allocated nutrition services funds be spent on defined nutrition education and breastfeeding support activities.

During the early years a great deal of effort was expended to make WIC services available to every eligible resident in Michigan. Above and beyond those efforts, who can forget the Intensive Enrollment Effort of 1983, when over 30,000 participants were added to the WIC Program in a period of three short months. In the summer of 1988 considerable efforts were put forth to increase caseload levels, resulting in the addition of more than 20,000 individuals to the program.

Comparison of the WIC data for the year 2000 to the births in Michigan for that year as reported to vital records, shows that nearly 42 % of all births in Michigan were served by WIC. This represents more than 56,500 infants in our state. Michigan's WIC Program provided WIC benefits to more than 226,000 participants on average each month in 2005, by issuing nearly 10 million WIC coupons, which were redeemed for more than $143 million in Michigan stores.

The Michigan WIC program also forged new territory by starting an on-line electronic benefits transfer (EBT) pilot using a magnetic stripe card to purchase WIC foods in Jackson County in July of 2005.

Purpose of Cost Study and Analysis Methodology

THE PURPOSE OF THIS STUDY WAS to perform an analysis of the Michigan WIC program's costs (i.e., both state infrastructure and local level) and funding sources (i.e., USDA Federal grant, state funding formula allocations and local funds), identifying possible ways to more effectively and efficiently utilize available fiscal resources in the future.

Analysis Methodology

It was decided that a WIC State/Local Work Group would be established, comprised of Michigan Department of Community Health (MDCH) representatives (WIC Office, Local Health Services, and Budget & Contracts Office), and MALPH representatives (Administrators Forum, Nurse Administrators Forum and a local WIC Coordinator). Specific tasks for the work group included:

• Review of the WIC FY 04-05 projected Federal grant level (including the required participant caseload target), state infrastructure costs and local agency funding formula allocations/performance targets. Comparisons would be made with the prior two fiscal years and with other states having comparable Federal grant levels/participant caseloads to assess trends and implications.

• Compilation of local agency FY 04-05 WIC budgetary data (projected local expenditures including staff and other costs, funding sources and caseload targets) as well as FY 03-04 actual fiscal data (expenditures, funding sources, participation caseloads, and average costs per participant). This data would be compiled individually by local agency as well as on a statewide basis.

• Using FY 04-05 budgetary and FY 03-04 actual data, such information would then be compiled into groupings of local agencies with similar-sized caseload levels. The purpose of such groupings would be to allow for further analysis of variances (i.e., costs, funding sources, caseload participation) between local agencies, their reasons and the implications.

• Based upon data derived from the above analysis, perform further operational reviews of local agencies that appear to have more cost-efficient WIC programs (i.e., lower costs per participant, lower local funds required, and more effective

staffing mixes) to confirm the reasons and potential for replication elsewhere.

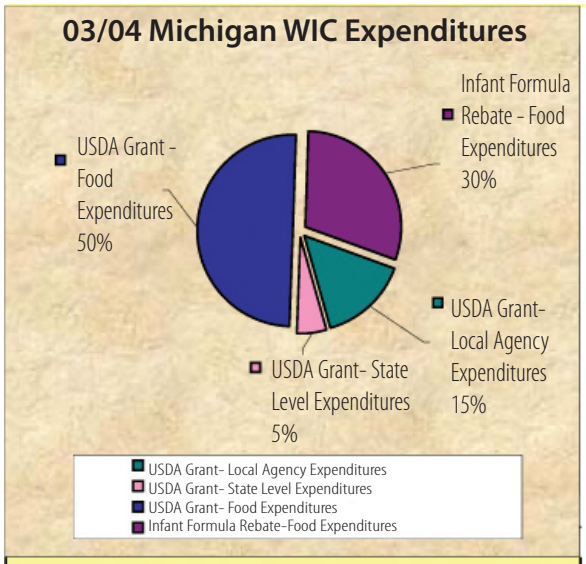
• A review would also be made of an earlier study of Michigan WIC program requirements in comparison with Federal requirements and requirements of other state WIC programs, to determine the related cost and funding formula implications of Michigan's WIC Program for any additional requirements.

Goals/Results

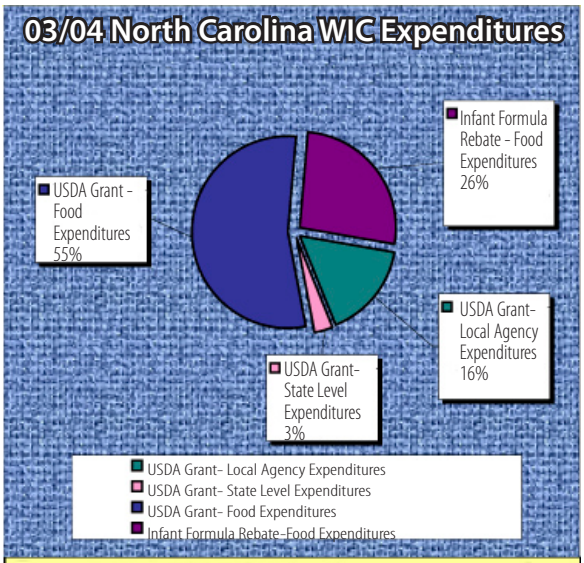
The goals of this analysis are to generate:
(1) current WIC Program statewide comparative fiscal data
(2) a list of "best practices" as guidance for local agency managers and program coordinators, and
(3) recommendations for future WIC funding formulas that will support the reasonable and equitable funding of local WIC programs for fulfillment of minimum program requirements and caseload performance targets.

Federal Grant Funding/ States Caseload Comparison FY 03/04

To give some perspective, outlined here is a comparison of funding levels, caseloads and how dollars are used between Michigan and a few other states with similar-sized grant levels and state/local program structures.



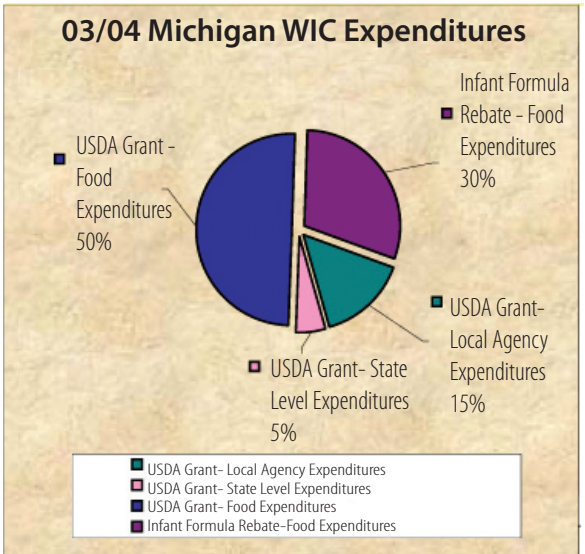
USDA Grant- Local Agency Expenditures	26,334,731
USDA Grant- State Level Expenditures	8,308,141
(inc. prog mgmt, client serv, nutri educ, breastfeeding, adm/mis)	
USDA Grant- Food Expenditures	87,233,211
Infant Formula Rebate-Food Expenditures	52,498,994
Total Expenditures	174,375,077
Average monthly participants	227,343
Local agency funding/participant/mo	9.65



USDA Grant- Local Agency Expenditures	28,616,298
USDA Grant- State Level Expenditures	5,507,883
(inc. prog mgmt, client serv, nutri educ, breastfeeding, adm/mis)	
USDA Grant- Food Expenditures	97,389,539
Infant Formula Rebate-Food Expenditures	47,086,767
Total Expenditures	178,600,487
Average monthly participants	218,930
Local agency funding/participant/mo	10.89

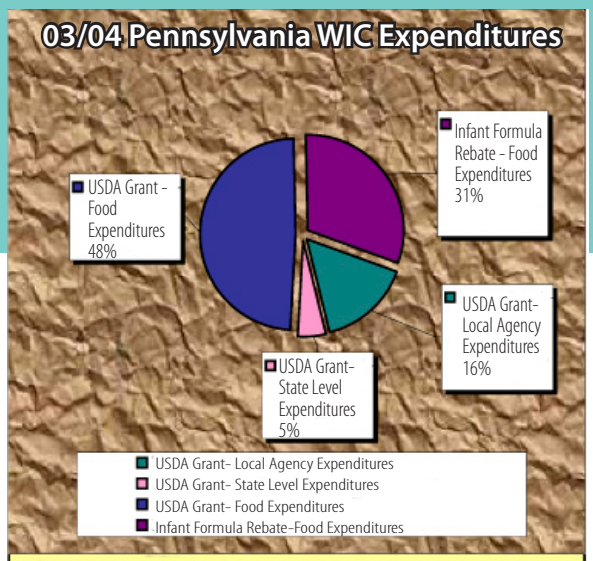
FY 03/04 Michigan WIC expenditures are outlined on this page for comparison to WIC expenditures in North Carolina (also on this page), as well as Pennsylvania and Georgia on the facing page.

03/04 Michigan WIC Expenditures



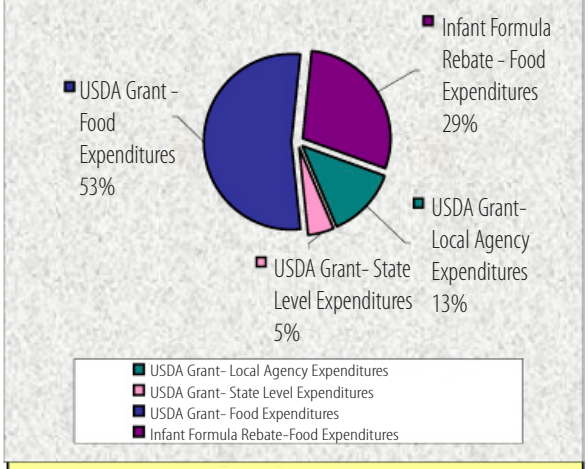
USDA Grant- Local Agency Expenditures	26,334,731
USDA Grant- State Level Expenditures	8,308,141
(inc. prog mgmt, client serv, nutri educ, breastfeeding, adm/mis)	
USDA Grant- Food Expenditures	87,233,211
Infant Formula Rebate-Food Expenditures	52,498,994
Total Expenditures	174,375,077
Average monthly participants	227,343
Local agency funding/participant/mo	9.65

03/04 Pennsylvania WIC Expenditures



USDA Grant- Local Agency Expenditures	30,559,508
USDA Grant- State Level Expenditures	9,441,434
(inc. prog mgmt, client serv, nutri educ, breastfeeding, adm/mis)	
USDA Grant- Food Expenditures	96,220,611
Infant Formula Rebate-Food Expenditures	60,800,000
Total Expenditures	197,021,553
Average monthly participants	240,834
Local agency funding/participant/mo	10.57

03/04 Georgia WIC Expenditures



USDA Grant- Local Agency Expenditures	27,713,428
USDA Grant- State Level Expenditures	9,965,518
(inc. prog mgmt, client serv, nutri educ, breastfeeding, adm/mis)	
USDA Grant- Food Expenditures	112,737,636
Infant Formula Rebate-Food Expenditures	60,896,050
Total Expenditures	211,312,632
Average monthly participants	259,992
Local agency funding/participant/mo	8.88

Local Agencies' Total Budgeted WIC Expenditures & Revenues FY 04/05

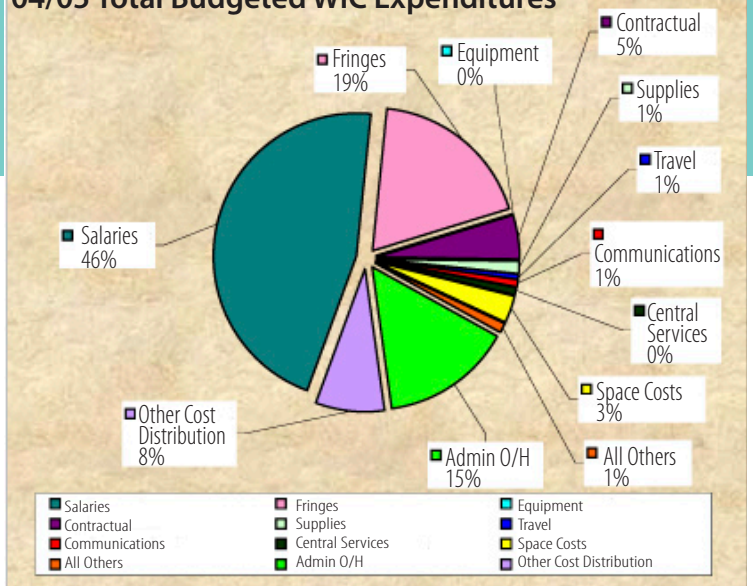
	TOTALS 04/05
Salaries & Wages	15,690,351
Fringe Benefits	6,377,002
Capital Exp for Equipment & Facilities	31,000
Contractual	1,704,343
Other Expenses:	0
Supplies & Materials	474,081
Travel	193,509
Communications	231,606
County/City Central Services	286,860
Space Costs	1,060,022
All Others	413,049
Total Direct Expenditures	**26,461,823**
Administrative O/H	4,987,193
Total Direct & Adm Expense	**31,449,016**
Other Cost Distribution	2,650,551
Total Expenditures	**34,099,567**
Exclusion Items:	
Fees 1st & 2nd Party	10,710
Fees & Collections - 3rd Party	2,600
Fed/State Funding (Non-MDCH)	0
Local Non-LPHO	74,158
Other Non-LPHO	39,489
MDCH - Non-CPBC	0
MDCH - CPBC-Other	71,166
TOTAL MDCH - CPBC	25,057,874
Net Allowable Expenditures For Local Health Operations	
State LPHO	0
Local Funds - Other	8,843,570
Total Revenues	**34,099,567**
04/05 Caseload	224,429
Cost/participant/mo	$12.66
WIC$$/participant/mo	$9.30*
Direct Expense/participant/mo	$9.83
Adm OH/participant/mo	$1.85
Other Cost/participant/mo	$0.98
Headcount	
Nurse	45.71
Dietician	31.21
Nutritionist	60.49
Hlth Educ	4.70
Admin	3.80
Tech	78.53
OR Worker	3.00
Clerk	187.43
Manager	32.16
Total Headcount	447.03
Caseload per FTE	502
Revenue per FTE per month	$6,357
Other Comparisons	
Fringe/Salaries & Wages	40.6%
Supplies & Materials/caseload/mo	$0.18
Travel/caseload/mo	$0.07
Communications/caseload/mo	$0.09
Space Costs/caseload/mo	$0.39
Adm/Salaries & Fringes	22.6%
Other Cost/Salaries & Fringes	12.0%

This section provides an additional breakdown in major components of how Michigan's federal WIC grant is expended and the funding formula for local agency allocations.

See Appendix A for a full breakdown of WIC program budgets for each of the WIC local agencies in the state.

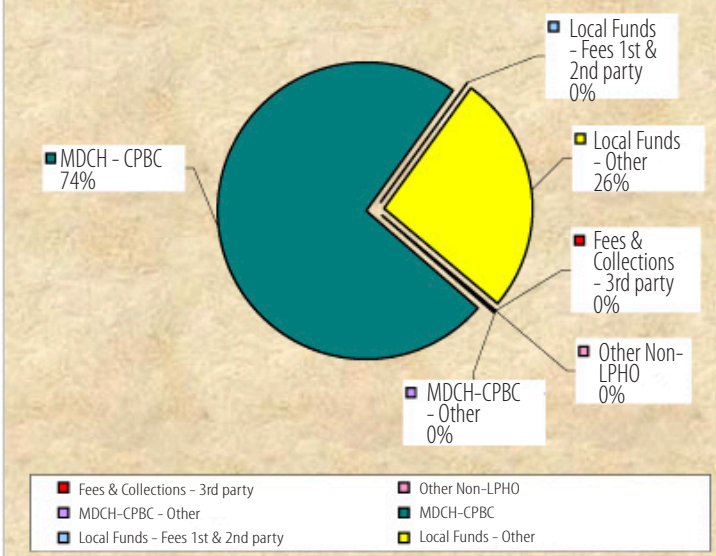
*WIC funding base per participant per month increased to $9.65 in April 2005 and to $10.50 in April 2006.

04/05 Total Budgeted WIC Expenditures



Salaries	15,690,351	Central Services	286,860
Fringes	6,377,002	Space Costs	1,060,022
Equipment	31,000	All Otheres	413,049
Contractual	1,704,343	Admin O/H	4,987,193
Supplies	474,081	Other Cost Dist	2,650,551
Travel	193,509		
Communication	231,606	Total Expenditures	34,099,567

04/05 Total Budgeted WIC Revenues



Fees & Collections 3rd party	2,600	Local Funds - Fees 1st && 2nd	10,710
Other - Non LPHO	39,489	Local Funds - Other	8,917,728
MDCH - CPB - Other	71,166		
MDCH-CPBC	25,057,874	Total Revenues	34,099,567

AGENCY	COST PER PARTICIPANT/MO
Barry-Eaton District Health Department	15.47
Bay County Health Department	14.45
Benzie-Leelanau District Health Department	16.84
Benzie-Leelanau DHD - Migrant	23.37
Berrien County Health Department	11.70
Branch-Hillsdale-St. Joseph District Health Dept.	11.21
Calhoun County Health Department	10.65
Central Michigan Health Department	15.69
Chippewa County Health Department	14.59
Comm Action Agency Reg II	9.20
Delta & Menominee County Health Department	10.92
Detroit City Health Department	10.16
Detroit Urban League	9.22
Dickinson-Iron District Health Department	10.67
District Health Department #10	14.22
District Health Department #10 - Migrant	18.72
District Health Department #2	11.09
District Health Department #4	11.14
Family Health Center	9.67
Genesee County Heal Department	13.28
Grand Traverse County Health Department	17.85
Health Delivery	10.06
Health Delivery - Migrant	11.67
Huron County Health Department	11.71
Ingham County Health Department	9.42
Intercare	9.67
Intercare - Migrant	12.10
Ionia County Health Department	10.97
Jackson County Health Department	11.95
Kalamazoo County Human Services	15.22
Kent County Health Department	17.48
Keweenaw Bay Indian Comm	17.16
Lapeer County Health Department	13.19
Livingston County Health Department	19.12
LMAS District Health Department	13.96
Macomb County Health Department	9.22
Marquette County Health Department	12.17
Mid-Michigan Comm Action Agency	10.01
Mid-Michigan District Health Department	12.57
Monroe County Health Department	9.22
Muskegon County Health Department	9.24
Northwest Michigan Comm Health Agency	11.19
Oakland County Health Department	12.04
Saginaw County Health Department	9.10
Saginaw-Chippewa Indian Tribe	17.39
Sanilac County Health Department	9.30
Shiawassee County Health Department	12.28
St. Clair County Health Department	10.23
Tuscola County Health Department	9.21
Washtenaw County Health Department	15.04
Wayne County Health Department	24.24
Western Upper Peninsula District Health Dept.	9.49

Minimum Program Requirements (MPRs) Review Results/Cost Implications

RECOGNIZING THAT PROGRAM REQUIREMENTS DIRECTLY impact costs, a charge was given to the Nurse Administrators Forum to identify more effective and efficient ways to utilize available fiscal resources. To that end, a review of the 2004 WIC Accreditation Work Group's project was conducted. This previous Workgroup consisted of local health department representatives and Michigan WIC staff. The 2004 project compared Michigan WIC policies, accreditation indicators and federal requirements as listed in the Federal Register and the USDA Nutrition Services Standards. A summary of recent changes to the accreditation document was provided.

To expand on this initial study, a more in depth examination of the accreditation indicators, the policies and required procedures that impact productivity and increase cost for local WIC agencies was proposed. An Ad Hoc committee lead by the Nurse Administrators Forum was established. The membership of this new group included Nursing Administrators, WIC Supervisors and WIC Coordinators, representing a cross section of the different types of agencies seen in our state, and MDCH WIC staff.

Prior to the first meeting a survey of the Nurse Administrators Forum via their list-serv was conducted to identify areas and procedures that were being perceived as increasing work and cost to the local agencies. The major areas of concern involved:

- Nutrition Services Plan
- Motor Voter Procedures
- Outreach Efforts
- Internet Nutrition Education
- Closet Formula
- MCIR and M-TRACX Coordination
- Coupon Security
- ID Folders
- Repeated Measurements

Four meetings were held from December 2004 to June 2005. The charge of the committee was to review the 2004 Accreditation Work Group findings and assess how the interpretation of the policy and procedures and other requirements have added to the cost and time in the provision of WIC services at the local level. The questions that were being asked by the committee were:

1. *Is there a problem performing the activity in the policy?*
2. *Did the activity take a lot of staff time?*
3. *What can be done in place of the activity and still meet federal requirements?*

4. *Do we need to do it all?*
Findings were grouped by categories as listed below for further action by State WIC staff to address the noted accreditation indicator/WIC Policy:

A. Need for consistency by consultants when evaluating agencies – Policy 1.08

B. USDA WIC requirements that cannot change at this time – Policy 1.10; T4; T6.3

C. WIC consultants to provide TA for options that reduce time and attention needed by local agency staff or clarify intent –T2.2; T3.3c; T6.0; T6.0a; T6.6.

D. State WIC Division will re-evaluate the issue – T4.4; T4.4a & d; T4.5; T5.4f; T6.1b & c; T7.3b; T8.1c; T8.1d; T9.2b; T10.1c; T10.1e; T11.1.

E. WIC System Upgrade is expected to address the issue – T3.1d; T3.3b; T6.1; T6.4.

F. WIC policy revision is planned for these issues – T21.b; T4.4e; T5.3c; T5.4a & b; T5.7; T7.2b; T7.2d&e; T7.4; T9.2b & d.

The Ad Hoc committee also offered the recommendations below for local agencies to consider that may increase efficiency and revenues. Some of the suggestions are lessons learned by local agencies, while others are suggestions for MDCH implementation.

AGENCIES

• Have WIC Clerks serve in dual roles and bill their time accordingly to the various programs.
• Consider billing hemoglobins to Medicaid.
• Bill Medicaid for services for outreach, advocacy & eligibility; See new bulletin on billing for administrative services.
• Consider reconfiguration of WIC, Medicaid Outreach and Maternal Support Services (MSS) so that an integrated model for delivery of services could be performed. In agencies currently integrating these program areas, the funding model is 20 % WIC, 55% MSS and 25% Medicaid Outreach. This model has increased efficiency of staff and participation in WIC; reduced barriers to receiving WIC services by transportation reimbursement and home visits; and increased customer satisfaction as multiple appointments for different programs are eliminated.
• Use the nutrition assessment for Head Start and other preschools.
• Encourage agencies to have an internal chart audit process.

MDCH

• Have standardized tools such as for nutrition education and local polices.
• Develop standardized nutrition care plan forms.
• Facilitate and encourage rapid development of new MTRACX system and the new EBT card.
• Adopt a more flexible process for accreditation which would use a percentage instead of a met/not met result.
• Allow agencies more flexibility to put things in writing or post for clients instead of verbally informing them.
• Incorporate some of the miscellaneous forms and documentation onto the income form.

SPECIAL RECOGNITION

WIC staff was very helpful with this whole process. All committee members identified good strategies for reducing paperwork and errors in documentation, and for meeting professional standards.

Future Technology Developments/ Cost Implications

ANOTHER SIGNIFICANT AREA OF REVIEW INVOLVED potential future technology developments. The Michigan WIC Division has been involved in a significant pilot project known as WIC Electronic Benefit Transfer (EBT). It is an attempt to demonstrate the operability of providing WIC benefits via the use of a magnetic-stripe credit-card-type method rather than the current use of food specific WIC coupons to purchase prescribed WIC foods. The WIC EBT pilot project began July 5, 2005, and has issued more than 3,500 EBT cards to WIC participants in Jackson County. As of March 1, 2006, more than $1.4 million of WIC foods have been purchased in the 32 participating stores in Jackson County. This pilot project will continue for the next year. It is anticipated that using EBT for WIC benefits will alter the staff needs for the WIC program at both the local and state level.

However, the exact change that will occur will be more clearly defined as the pilot project proceeds and the formal evaluation of the project is conducted that includes baseline and post implementation patient flow analysis. Participants will have considerable flexibility for purchasing WIC foods, and WIC vendors will be paid faster, usually within 48 hours. Cost and benefits of this project will be analyzed and closely examined as part of the pilot evaluation, in order to determine the feasibility of statewide use.

The WIC Program continues to use available Internet technology to offer local agency staff training on-line using modules that cover a broad range of topics needed to conduct WIC services according to USDA regulations. This service helps agencies provide required training to their staff without off-site travel and at convenient times for the employee. Though actual cost savings have not been calculated it is estimated that the reduction in mileage costs and time away from the service clinic results in operational savings.

During the past four years, Michigan has served as the lead agency for a project involving the Midwest regional states (Illinois, Indiana, Minnesota, Ohio and Wisconsin) to pilot the acceptability and feasibility of offering nutrition education on the Internet to WIC participants. The modules are available at www.wichealth.org, and connect to existing evidence based websites guided by the

participants' response to questions that indicate change readiness of the participant. This project includes an evaluation component that reveals a high level of accessibility to the site for many who are contemplating change and satisfaction of site use by participants. The use of this method for providing nutrition education to some participants is an option that may help to make local agency nutritionists' time more available to other participants needing one-on-one counseling and follow up.

The WIC Division examined the feasibility of upgrading the WIC Program Management Information System and determined that it made sound business sense to upgrade Michigan's WIC system to a web-based system that has been recently purchased by another state WIC agency, known as a transfer system.

The feasibility study recommended that it is not a cost efficient alternative to keep MTRACX either as it is or with enhancements necessary to meet the requirements. It was noted that continuing to have the WIC application on the current mainframe architecture limits the ease of future development and capabilities that can be very easily achieved using web based or other comparable technologies. The cost of WIC application operations and maintenance in the current setup may go up in the future as systems that are hosted in the current mainframe server continue to migrate to non-mainframe solutions leaving WIC to bear the operations cost of the mainframe server. Additionally, the state of Michigan is transitioning to a standard of web-based software solutions for agency programs and may have only limited support for systems that do not meet this standard in the future (F. Daniel, Cost Benefit Analysis, Mar. 2004).

It was also noted that Michigan currently issues coupons and the future system must issue benefits through EBT. Obtaining a transfer WIC system for Michigan was estimated to provide a 75% return on investment, while affording Michigan the opportunity of current technology for future system enhancements that are easily accomplished.

Many hours of local and state staff time have been used to develop the WIC system requirements and observe system demonstrations this past year in preparation for this change. It was estimated that a significant cost savings would be realized by upgrading Michigan's WIC system and this would be accomplished in a fairly short time frame, less than 4 years. A Request for Proposal has been drafted that is expected to be released in spring, 2006 to engage a WIC system vendor and a quality assurance contractor. This system will automate many of the WIC functions currently performed manually and will integrate with other programs in an effort to improve our program efficiency, both fiscally and operationally.

Summary of Major Findings and Recommendations

FINDINGS/OBSERVATIONS

• Michigan, when compared with other states (Pennsylvania, North Carolina, and Georgia) of similar sized WIC Program participant caseloads and local service delivery models, has very similar percentage allocations of funding between food costs, local agency costs and state-level costs. It was noted that both Pennsylvania and North Carolina ($10.57 and $10.89 per participant per month respectively) allocate higher levels of funding to local agencies than Michigan ($9.65) and Georgia ($8.88).

• State level operation costs in Michigan are 100% federally funded from the USDA grant, with no ($–0-) state general fund or other state support. That is, all State operating costs for program management, client services, nutrition education and breastfeeding training/support, MIS operations and other State administrative/ indirect costs are funded from Michigan's USDA WIC Grant.

• Local agency operation costs in Michigan are only 74% federally funded from the WIC categorical grants provided by MDCH, with most of the remaining funds from local sources.

• The average Local Agency cost per participant per month in FY 04-05 was $12.66, with current MDCH WIC funding to Local Agencies ($9.65 per participant per month), although increased over the past year, still remains slightly less than sufficient to cover Direct Program Costs ($9.83 per participant per month) and is inadequate to provide added support for program management and administration.

• Local Agency WIC operation costs vary widely across Michigan, both under and over the statewide averages, and there appears to be no particular correlation between higher and lower cost local programs based upon size of WIC caseloads, urban vs. rural areas, and differences in wage scales for similar staff positions.

• Some of the primary factors which do appear to result in differences in Local Agency WIC costs are direct staffing levels for caseload sizes (i.e., statewide average is 1.0 FTE per 502 monthly participation caseload, with higher cost agencies typically having a lower caseload level per FTE), the types of staffing used to provide direct WIC services (i.e., higher paid vs. lower paid positions), program management/administrative costs (i.e., while direct costs are quite comparable among Local Agencies, agencies with higher total costs typically have higher program management/ administrative costs), and the number of satellite

clinics (with associated staff time/travel costs for more clinic sites).

• Local Health Departments usually budget their total costs (including direct and program management/administrative) while other Local Agencies (non-profit organizations) typically only budget direct costs that are funded by the MDCH WIC grants and do not report their program management/ administrative costs. Thus, the non-profit organizations do not necessarily have more "cost efficient" local WIC programs; they just appear so because not all costs are reported.

• Some Local Health Departments with lower cost WIC programs have taken more aggressive steps than other agencies in having staff identify and code time to activities such as "Medicaid Outreach", which can be 50% reimbursed through MDCH and result in lower overall remaining WIC Program costs.

• The WIC Program is "heavily endowed" with Federal compliance regulations and Minimum Program Requirements, which translate into added local direct staffing and program management/ administration costs. To the extent that MDCH can develop methods and systems to minimize related "processes" and provide consistent consultation across Local Agencies, this will help minimize local direct staffing and program management workload, and thus reduce costs.

• The MDCH WIC Office is currently involved in a significant pilot effort known as the WIC Electronic Benefit Transfer (EBT) Project, which has the potential to convert WIC food benefits from the current coupon process to a magnetic stripe credit card-type method. In addition, the WIC Program continues to use Internet technology for certain Local Agency on-line training, and is the lead regional agency to pilot the feasibility of offering nutrition education to WIC participants via the Internet. Further, the MDCH WIC Office is proceeding to upgrade the WIC Program Management Information System to a web-based system. These current and future technology developments have very positive short-term and long-range potential for improving Michigan's WIC Program in terms of enhancing WIC participant services, strengthening state/local WIC Program administration, and enhancing support for Local Agency program operations which will result in improved cost efficiencies.

Recommendations to Local Agencies and to the State of Michigan

RECOMMENDATIONS TO LOCAL AGENCIES

• Optimize available funding and utilize comparative data (see Appendix A) from this study for modeling purposes and to generate cost efficiencies.
• Bill Medicaid for services provided within the WIC Program to maximize revenue for the program.
• Bill for hemoglobins, and/or for Medicaid outreach, advocacy and eligibility according to current Medicaid policy.
• Identify opportunities to improve service delivery methods:
    ⇨ Consider the opportunities provided by using an integrated approach to services.
    ⇨ Assess the configuration of the current WIC services and consider a reconfiguration of WIC, Medicaid outreach and MSS to offer an integrated model for providing services. Lessons learned from agencies currently integrating these programs areas indicate that the funding model is 20% WIC, 55% MSS and 25% Medicaid outreach.
    ⇨ Use WIC Clerks in dual roles and bill their time accordingly to the various programs.
    ⇨ Use nutrition assessments for Head Start and other preschools.

• Establish a continuous quality improvement process:
    ⇨ Develop an in-house quality assurance plan that includes an internal chart audit process.
    ⇨ Routinely examine staffing patterns to assure optimal utilization of staff and skills.

RECOMMENDATIONS TO STATE OF MICHIGAN

• Develop and provide local agencies with standardized nutrition care plan forms, and tools for nutrition education and local policies.
• Utilize available technology to improve program efficiencies, such as EBT and upgrading the program data system.
• Continue to utilize the current funding formula that will systematically support increases to local agency funding as the state receives additional funding from USDA. Review state program administrative cost savings that can be passed on to local agencies.
• Share lessons learned by local agencies that improve operational efficiency as a standard consultation message.

Appendix A
Comparative Analysis

Table of Contents

(see attached Excel file)

Tab 1:

Local Health Departments' Annual Participants with Caseloads 0–1,600

Tab 2:

Local Health Departments' Annual Participants with Caseloads 1,601–3,000

Tab 3:

Local Health Departments' Annual Participants with Caseloads 3,001–5,000

Tab 4:

Local Health Departments' Annual Participants with Caseloads 5,001–10,000

Tab 5:

Local Health Departments' Annual Participants with Caseloads over 10,000

Tab 6:

Non-Local Health Departments' Annual Participants

Resources

Women, Infants & Children
www.fns.usda.gov/wic

Michigan Department of Community Health
www.michigan.gov/mdch

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